

300 Bland Street
P.O. Box 770
Bluefield, WV 24701



February 22, 2002

Mr. David Foster, Utility Rate Specialist
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

RE: Docket Number: 02-00143 – Tax Flow Through Business Rate Reduction for CTC-TN

Dear David:

Attached are an original and three copies of a Citizens Telecommunications Company of Tennessee tariff correction to Section 3, Second Revised Page 40.

The original calculation for the Rotary Lines was in error. Rotary Line Hunt Manual was omitted from the original line count. There are 2,416 Rotary Hunt Lines (ASOC RNHB) and 1,256 Rotary Hunt Manual Lines (ASOC RLBM) for a total of 3,672 Rotary Lines, which changes the credit from \$4.05 to \$2.67 per line.

An additional copy of this filing is also enclosed. Please date stamp this copy and return it in the enclosed envelope.

If you have any questions, please call me at 304-325-1216.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Michael Swatts".

J. Michael Swatts
State Government Affairs Director

Enclosures

POSTED
3/6/02

300 Bland Street
P.O. Box 770
Bluefield, WV 24701



February 7, 2002

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EXECUT

Mr. David Foster, Utility Rate Specialist
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

RE: Tax Flow Through Business Rate Reduction for CTC-TN

Dear David:

Attached are an original and three copies of a Citizens Telecommunications Company of Tennessee tariff filing for review and approval by the Tennessee Regulatory Authority. This filing establishes a monthly tax credit of \$0.75 for business touch tone service and a \$4.05 monthly credit for business rotary line hunt service. The credits equate to a total reduction of \$367,488 in revenues over an 18-month period from 1/1/02 through 6/30/03. A worksheet is included which supports this calculation.

This reduction is necessary to comply with the new provisions in Public Acts of 2001 Chapter 195 enacted by House Bill 864. The bill requires a company engaged in the business of providing telecommunications services that receives a net tax savings as a result of receiving tax equity payments under this Act, to pass the benefit (savings) on to business customers.

An additional copy of this filing is also enclosed. Please date stamp this copy and return it in the enclosed envelope.

If you have any questions, please call me at 304-325-1216.

Sincerely,

J. Michael Swatts
State Government Affairs Director

Enclosures

GENERAL CUSTOMER SERVICES TARIFF

Citizens Telecommunications Company of Tennessee

Second Revised Page 7

S11. Miscellaneous Service Arrangements (Continued)

S11.2 Touch Calling Service (Continued)

S11.2.2 Application of Charges (Continued)

- (B) When stations equipped for Touch Calling Service can be arranged for operation with lines not equipped for Touch Calling Service, charges based on cost will apply.

S11.2.3 Rates and Charges

- (A) The following monthly rates are in addition to any applicable charges for main telephone service:

		<u>Monthly Rate</u>	<u>ASOC</u>	
(1)	Exchange Access Lines			
	(a) Business - per line*	\$0.75** (1)	TCB	(C)
	(b) Residence - per Line*	0.55**	TCR	
(2)	Touch Calling Service for PBX Systems			
	(a) Per Line (applicable for customer or Company provided PBX Systems)	\$0.75 (1)	TCPTK	(C)

* On party lines, the rate is applicable to each customer having Touch Calling Service.

** This monthly rate does not include an instrument.

Note: The Central Office Line Connection Charge does not apply when service is changed from rotary dial operation to touch calling operation.

Note (1) An automatic credit in the amount of \$0.75 will automatically apply to this service as an offset to property tax savings the Company will realize per Public Acts of 2001 Chapter 195. Both the rate for the service and the credit will appear on customer billing. (N)
(N)
(N)
(N)

Issued: February 7, 2002

Assistant Vice President
Telecom - Regulatory Affairs

Continued
Effective: January 1, 2002

GENERAL CUSTOMER SERVICES TARIFF

Citizens Telecommunications Company of Tennessee

Second Revised Page 40

S3. Basic Local Exchange Service (Continued)

S3.7 Rotary Line Service

S3.7.1 General

- (A) Rotary line service provides a means whereby calls made to the first number of a rotary group will be automatically completed over the first idle line in the rotary group. If all lines are busy, the calling party will receive the busy signal.
- (B) This service is furnished only when the rotary numbers are available and only in connection with individual main station lines, manual access line and all USS and MRS access lines.
- (C) See Section S6. for the regulations applicable to directory listings in connection with provision of main services on a rotary basis.

S3.7.2 Rates

- (A) The rotary line rate shown below is applicable in addition to the monthly rate for one party access lines and manual access lines as shown in S3.2.1. The rotary line rate does not apply to automatic access lines.

BUSINESS			RESIDENCE				
<u>1-Party</u>	Manual Access	Billing	<u>1-Party</u>	Billing Code	Manual Access Line	Billing Code	
\$20.00 ⁽²⁾	\$20.00 ⁽²⁾	BRLM	\$2.30	RRL	\$1.35	RRLM	(C)
\$ 2.00 ⁽¹⁾	\$ 2.00 ⁽¹⁾						

NOTE (1) Applicable to the McMinnville and Sparta exchanges only. New rate applies to existing and future customers.

NOTE (2) An automatic credit in the amount of \$2.67 will automatically apply to this service as an offset to property tax savings the Company will realize per Public Acts of 2001 Chapter 195. Both the rate for the service and the credit will appear on customer billing. (N)
(N)
(N)

Continued

Issued: February 7, 2002

Effective: January 1, 2002

Vice President
Regulatory and Government Affairs

Tax Offset Rate Reduction - Tennessee

CTC - VOLUNTEER STATE
SUMMARY REPORT

Feature	ASOC ID	QTY	New MRC	Current MRC	MRC Difference	MRC REDUCTION	18 Month REDUCTION
Touch Tone	TCB	2,982	\$ 0.16	\$1.50	\$1.34	\$ 3,995.88	\$ 71,925.84
TOTAL						\$	\$ 71,925.84

CTC - TENNESSEE
SUMMARY REPORT

Feature	ASOC ID	QTY	New MRC	Current MRC	MRC Difference	MRC REDUCTION	18 month REDUCTION
Rotary Line Hunt	RNHB	2,416	\$ 13.95	\$20.00	\$ 4.05	\$ 9,784.80	\$ 176,128.40
Touch Tone	TCB	13,734	\$ -	\$ 0.75	\$ 0.75	\$ 10,300.50	\$ 185,409.00
Touch Tone Each Trunk	TCPTK	441	\$ -	\$ 0.75	\$ 0.75	\$ 330.75	\$ 5,953.50
TOTAL						\$	\$ 367,488.90